

Senate File 232 - Introduced

SENATE FILE 232
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SSB 1042)

A BILL FOR

1 An Act relating to notifications made by the commissioner of
2 insurance of the potential need for a receivership for
3 certain preneed sellers and cemeteries.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 523A.811, Code 2017, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 01. The commissioner may notify the
4 attorney general of the potential need for establishment of a
5 receivership if a receivership is requested or consented to by
6 a seller subject to this chapter.

7 Sec. 2. Section 523I.212, Code 2017, is amended by adding
8 the following new subsection:

9 NEW SUBSECTION. 01. The commissioner may notify the
10 attorney general of the potential need for establishment of a
11 receivership if a receivership is requested or consented to by
12 a cemetery subject to this chapter.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill allows the commissioner of insurance to notify
17 the attorney general of the potential need for establishment
18 of a receivership for a preneed seller of cemetery and
19 funeral merchandise or funeral services who is subject to Code
20 chapter 523A, if the preneed seller requests or consents to a
21 receivership.

22 Similarly, the bill allows the commissioner to notify the
23 attorney general of the potential need for establishment of a
24 receivership for a cemetery subject to Code chapter 523I if the
25 cemetery requests or consents to a receivership.

26 As required under current law, the commissioner must
27 continue to make such notifications if the commissioner finds
28 that a preneed seller or cemetery meets one or more specified
29 conditions.